FOR OHF USE

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2004
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2004)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH Facility ID Number: 0045880

Facility Name: Lydia Healthcare Center

Address: 13901 S. Lydia (Number) Robbins (City) 60472 (Zip Code)

County: Cook

Telephone Number: (708) 385-8700 **Fax #** (708) 385-5642

IDPA ID Number: 363481752001

Date of Initial License for Current Owners: 00/00/86

Type of Ownership:

	VOLUNTARY,NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code			Corporation		Other
			"Sub-S" Corp.		
		X	Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Steve Lavenda **Telephone Number:** (847) 236 - 1111

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/04 to 12/31/04 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider
(Signed) (Date)
(Type or Print Name)
(Title)

Paid Preparer
(Signed) (Date)
(Print Name and Title) Cary C. Buxbaum, C.P.A.
(Firm Name & Address) Frost, Ruttenberg & Rothblatt, P.C.
111 Pfingsten Road, Suite 300 Deerfield, IL 60015
(Telephone) (847) 236-1111 Fax # (847) 236-1155

MAIL TO: OFFICE OF HEALTH FINANCE
ILLINOIS DEPARTMENT OF PUBLIC AID
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1		Skilled (SNF)			1
2		Skilled Pediatric (SNF/PED)			2
3	412	Intermediate (ICF)	412	150,792	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	412	TOTALS	412	150,792	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Public Aid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF					8
9	SNF/PED					9
10	ICF	140,903	655	2,767	144,325	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	140,903	655	2,767	144,325	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 95.71%

D. How many bed-hold days during this year were paid by Public Aid? 2,932 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
N/A

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [ ] NO [X]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [ ] NO [X]

I. On what date did you start providing long term care at this location?
Date started 01/01/02

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 01/01/02 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [ ] NO [X] If YES, enter number of beds certified _____ and days of care provided _____

Medicare Intermediary N/A

IV. ACCOUNTING BASIS

ACCRUAL	MODIFIED CASH*	CASH*
[X]	[ ]	[ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

Tax Year: 12/31/04 Fiscal Year: 12/31/04

* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger Salary/Wage 1	Supplies 2	Other 3	Total 4	Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR OHF USE ONLY 9	10	
	A. General Services											
1	Dietary	321,526	75,570	18,041	415,137		415,137		415,137			1
2	Food Purchase		692,715		692,715	(53,802)	638,913	(31)	638,882			2
3	Housekeeping	502,535	114,854		617,389		617,389		617,389			3
4	Laundry	42,292	29,924		72,216		72,216		72,216			4
5	Heat and Other Utilities			297,572	297,572		297,572		297,572			5
6	Maintenance	261,156	46,938	216,617	524,711		524,711	(46,968)	477,743			6
7	Other (specify):*											7
8	**TOTAL General Services**	1,127,509	960,001	532,230	2,619,740	(53,802)	2,565,938	(46,999)	2,518,939			8
	B. Health Care and Programs											
9	Medical Director			2,200	2,200		2,200		2,200			9
10	Nursing and Medical Records	2,478,979	143,153	269,154	2,891,286		2,891,286	(35,901)	2,855,385			10
10a	Therapy			7,265	7,265		7,265		7,265			10a
11	Activities	189,470	10,469		199,939		199,939		199,939			11
12	Social Services	494,316	13,936		508,252		508,252		508,252			12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	3,162,765	167,558	278,619	3,608,942		3,608,942	(35,901)	3,573,041			16
	C. General Administration											
17	Administrative	46,706		399,996	446,702		446,702	(34,000)	412,702			17
18	Directors Fees											18
19	Professional Services			107,710	107,710		107,710	(4,722)	102,988			19
20	Dues, Fees, Subscriptions & Promotions			51,675	51,675		51,675	(11,026)	40,649			20
21	Clerical & General Office Expenses	232,819	20,360	184,315	437,494		437,494	(68,705)	368,789			21
22	Employee Benefits & Payroll Taxes			857,531	857,531	53,802	911,333		911,333			22
23	Inservice Training & Education			7,172	7,172		7,172		7,172			23
24	Travel and Seminar			10,085	10,085		10,085	(7,275)	2,810			24
25	Other Admin. Staff Transportation			21,555	21,555		21,555	(14,180)	7,375			25
26	Insurance-Prop.Liab.Malpractice			493,846	493,846		493,846		493,846			26
27	Other (specify):*											27
28	**TOTAL General Administration**	279,525	20,360	2,133,885	2,433,770	53,802	2,487,572	(139,908)	2,347,664			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	4,569,799	1,147,919	2,944,734	8,662,452		8,662,452	(222,808)	8,439,644			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Lydia Healthcare Center #0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4	5	6	7	8	9	10	
	D. Ownership											
30	Depreciation			67,202	67,202		67,202	348,457	415,659			30
31	Amortization of Pre-Op. & Org.			29,904	29,904		29,904		29,904			31
32	Interest			321,311	321,311		321,311		321,311			32
33	Real Estate Taxes			603,617	603,617		603,617		603,617			33
34	Rent-Facility & Grounds			3,007,596	3,007,596		3,007,596	(3,007,596)				34
35	Rent-Equipment & Vehicles			68,125	68,125		68,125	(44,234)	23,891			35
36	Other (specify):*											36
37	**TOTAL Ownership**			4,097,755	4,097,755		4,097,755	(2,703,373)	1,394,382			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers											39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			226,188	226,188		226,188		226,188			42
43	Other (specify):*	38,390			38,390		38,390	(38,390)				43
44	**TOTAL Special Cost Centers**	38,390		226,188	264,578		264,578	(38,390)	226,188			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	4,608,189	1,147,919	7,268,677	13,024,785		13,024,785	(2,964,571)	10,060,214			45

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Reference	3 OHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	348,457	30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(31)	02		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment	(7,106)	24		19
20	Contributions	(2,380)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(41,413)	21		24
25	Fund Raising, Advertising and Promotional	(775)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(3,261,323)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (2,964,571)		$	30

OHF USE ONLY								
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)			34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (2,964,571)		37

***These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.**

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.			$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44	Exceptional Care Program					44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Lydia Healthcare Center

IDd 0045880

Report Period Beginning: 01/01/04

Ending: 12/31/04

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Bank Charges	$ (5,428)	21	1
2	Capitalized R&M	(46,968)	06	2
3	Replacement Tax	(17,800)	21	3
4	VA Medical Expenses	(34,658)	10	4
5	Purchase Discounts Taken	(1,243)	10	5
6	IL Council - COPE Dues	(7,871)	20	6
7	Finance Fees	(4,064)	21	7
8	Marketing Director	(38,390)	43	8
9	Legal Retainer	(4,000)	19	9
10	Legal Services (Prior Year)	(722)	19	10
11	Vehicle Rental Expense	(44,234)	35	11
12	Seminar Expense	(169)	24	12
13	Building Rental	(3,007,596)	34	13
14	Administrative Salary	(34,000)	17	14
15	Travel (Non Allowable)	(14,180)	25	15
16				16
17				17
18				18
19				19
20				20
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23				23
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94				94
95				95
96				96
97				97
98				98
99				99
100				100
101	Total	(3,261,323)		101

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Lydia Healthcare Center **#** 0045880 **Report Period Beginning:** 01/01/04 **Ending:** 12/31/04

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS (to Sch V, col.7)	
1	Dietary													1
2	Food Purchase	(31)											(31)	2
3	Housekeeping													3
4	Laundry													4
5	Heat and Other Utilities													5
6	Maintenance	(46,968)											(46,968)	6
7	Other (specify):*													7
8	**TOTAL General Services**	(46,999)											(46,999)	8
	B. Health Care and Programs													
9	Medical Director													9
10	Nursing and Medical Records	(35,901)											(35,901)	10
10a	Therapy													10a
11	Activities													11
12	Social Services													12
13	Nurse Aide Training													13
14	Program Transportation													14
15	Other (specify):*													15
16	**TOTAL Health Care and Programs**	(35,901)											(35,901)	16
	C. General Administration													
17	Administrative	(34,000)											(34,000)	17
18	Directors Fees													18
19	Professional Services	(4,722)											(4,722)	19
20	Fees, Subscriptions & Promotions	(11,026)											(11,026)	20
21	Clerical & General Office Expenses	(68,705)											(68,705)	21
22	Employee Benefits & Payroll Taxes													22
23	Inservice Training & Education													23
24	Travel and Seminar	(7,275)											(7,275)	24
25	Other Admin. Staff Transportation	(14,180)											(14,180)	25
26	Insurance-Prop.Liab.Malpractice													26
27	Other (specify):*													27
28	**TOTAL General Administration**	(139,908)											(139,908)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(222,808)											(222,808)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lydia Healthcare Center # 0045880 **Report Period Beginning:** 01/01/04 **Ending:** 12/31/04

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
30	Depreciation	**348,457**											**348,457**	30
31	Amortization of Pre-Op. & Org.													31
32	Interest													32
33	Real Estate Taxes													33
34	Rent-Facility & Grounds	**(3,007,596)**											**(3,007,596)**	34
35	Rent-Equipment & Vehicles	**(44,234)**											**(44,234)**	35
36	Other (specify):*													36
37	**TOTAL Ownership**	**(2,703,373)**											**(2,703,373)**	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers													39
40	Barber and Beauty Shops													40
41	Coffee and Gift Shops													41
42	Provider Participation Fee													42
43	Other (specify):*	**(38,390)**											**(38,390)**	43
44	**TOTAL Special Cost Centers**	**(38,390)**											**(38,390)**	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	**(2,964,571)**											**(2,964,571)**	45

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Susan Simonsen	50.0%	Winfield Building LLC	Winfield	Lydia Building LLC	Robbins	Landlord-related
William Daugherty	50.0%	Winfield Woods Healthcare LLC	Winfield	Lydia Healthcare Inc	Robbins	Former Operating Entity-related

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

	1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V				$	See Attached		$	$	1
2	V									2
3	V									3
4	V									4
5	V									5
6	V									6
7	V									7
8	V									8
9	V									9
10	V									10
11	V									11
12	V									12
13	V									13
14	Total				$			$	$ *	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

	1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V				$			$	$	15
16	V									16
17	V									17
18	V									18
19	V									19
20	V									20
21	V									21
22	V									22
23	V									23
24	V									24
25	V									25
26	V									26
27	V									27
28	V									28
29	V									29
30	V									30
31	V									31
32	V									32
33	V									33
34	V									34
35	V									35
36	V									36
37	V									37
38	V									38
39	Total				$			$	$ *	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$	$ *	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$	$ *	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$	$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

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1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$	$ *	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

	1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V				$			$	$	15
16	V									16
17	V									17
18	V									18
19	V									19
20	V									20
21	V									21
22	V									22
23	V									23
24	V									24
25	V									25
26	V									26
27	V									27
28	V									28
29	V									29
30	V									30
31	V									31
32	V									32
33	V									33
34	V									34
35	V									35
36	V									36
37	V									37
38	V									38
39	Total				$			$	$ *	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

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15	V			$			$	$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$	$ *	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

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1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$	$ *	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☐ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$			$	$ *	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
						Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**			
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Hours	Percent	Description	Amount	Schedule V. Line & Column Reference	
1	Susan Simonsen	Owner	Administrative	50.00%	See Attached	30.00	60.00%	Mgmt Fees	$ 199,998	17-3	1
2	William Daughtery	Owner	Administrative	50.00%	See Attached	30.00	60.00%	Mgmt Fees	199,998	17-3	2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$ 399,996		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [ ] NO [X]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
Fax Number ( )

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
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22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VIII. ALLOCATION OF INDIRECT COSTS

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1						$	$		$	1
2										2
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4										4
5										5
6										6
7										7
8										8
9										9
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23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

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1						$	$		$	1
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21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

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Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

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22										22
23										23
24										24
25	TOTALS					$	$		$	25

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20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

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	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
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6										6
7										7
8										8
9										9
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21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

VIII. ALLOCATION OF INDIRECT COSTS

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	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
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4										4
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20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

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Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
Fax Number ( )

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
2										2
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20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

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Name of Related Organization
Street Address
City / State / Zip Code
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	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
2										2
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4										4
5										5
6										6
7										7
8										8
9										9
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17										17
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21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

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1						$	$		$	1
2										2
3										3
4										4
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8										8
9										9
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17										17
18										18
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21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related Long-Term											
1	HUD Costs	X		Loan Costs	$11,722.00	06/01/03	$ 897,237	$ 762,238	04/11/11	5.0000	$ 40,420	1
2	Option Deposit Loan				$64,773.00	02/01/02		4,332,341	07/01/11	5.0000	229,156	2
3												3
4												4
5	See Supplemental Schedule											5
	Working Capital											
6	Bank One		X	Line of Credit		10/11/02		1,465,000	11/1/05	6.2500	16,707	6
7	GMAC		X	Vehicle Financing		10/31/02	41,238	19,524	09/30/05	10.5300	2,324	7
8	See Supplemental Schedule				$21,214.00		1,538,655	615,732			32,704	8
9	TOTAL Facility Related				$97,709.00		$ 2,477,130	$ 7,194,835			$ 321,311	9
	B. Non-Facility Related*											
10												10
11												11
12												12
13	See Supplemental Schedule											13
14	TOTAL Non-Facility Related						$	$			$	14
15	TOTALS (line 9+line14)						$ 2,477,130	$ 7,194,835			$ 321,311	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. **$** N/A **Line #**

*** Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)**

SEE ACCOUNTANTS' COMPILATION REPORT

**** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)**

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE - SUPPLEMENTAL SCHEDULE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related Long-Term											
1							$	$			$	1
2												2
3												3
4												4
5												5
6												6
7	TOTAL Long-Term											7
	Working Capital											
8	Working Capital Loan	X			21,214.00	01/01/02	$ 1,538,655	$ 615,732	07/01/07	5.00%	$ 32,704	8
9												9
10												10
11												11
12												12
13												13
14	TOTAL Working Capital				21,214.00		1,538,655	615,732			32,704	14
	B. Non-Facility Related*											
15							$	$			$	15
16												16
17												17
18												18
19												19
20	TOTAL Non-Facility Related											20

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2003 report. *Important*, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.	$	584,017	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	$	587,634	2
3. Under or (over) accrual (line 2 minus line 1).	$	3,617	3
4. Real Estate Tax accrual used for 2004 report. (Detail and explain your calculation of this accrual on the lines below.)	$	600,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. **(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)**	$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. **TOTAL REFUND $ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)**	$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.	$	603,617	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	1999	576,535	8
	2000	574,869	9
	2001	609,238	10
	2002	552,786	11
	2003	587,634	12

Opening accrual increased by $30,692 for prior year restatement.

Opening accrual increased by $9,015 for additional real estate tax expense.

Accrual - $578,617*1.037=$600,000

FOR OHF USE ONLY

13	FROM R. E. TAX STATEMENT FOR 2003	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. **Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.**
2. **If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.**
   This denial must be no more than four years old at the time the cost report is filed.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2003 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2003 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2003.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2003 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2004 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2003 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lydia Healthcare Center COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0045880

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847)236-1111 FAX #: (847)236-1155

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2003 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2003.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	28-02-429-009-0000	Long Term Care Property	$ 575,600.41	$ 575,600.41
2.	28-02-411-048-0000	Long Term Care Property	$ 3,018.62	$ 3,018.62
3.	See Attached	Long Term Care Property	$ 9,013.32	$ 9,013.32
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 587,632.35	$ 587,632.35

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2003 tax bills which were listed in Section A to this statement. Be sure to use the 2003 tax bill which is normally paid during 2004.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2000 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2000 real estate tax costs, as well as copies of your real estate tax bills for calendar 2000.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2000 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2001 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2003 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lydia Healthcare Center COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0045880

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847)236-1111 FAX #: (847)236-1155

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2000 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2000.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.			$	$
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$	$

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? _____ YES _____ NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the 2000 tax bills which were listed in Section A to this statement. Be sure to use the 2000 tax bill which is normally paid during 2001.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 132,606 B. General Construction Type: Exterior Brick Frame Brick Number of Stories 7

C. Does the Operating Entity? [ ] (a) Own the Facility [X] (b) Rent from a Related Organization. [ ] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? [X] (a) Own the Equipment [X] (b) Rent equipment from a Related Organization. [X] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [ ] NO
If so, please complete the following:

1. Total Amount Incurred: 29,904 2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization: 29,904 4. Dates Incurred:

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Facility		1986	$ 26,179	1
2			Various	79,586	2
3	TOTALS			$ 105,765	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4					$	$		$	$	$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Various			1987	211,048		20	11,107	11,107	195,833	9
10	Various			1988	225,278		20	11,855	11,855	196,184	10
11	Various			1989	130,379		20	4,392	4,392	113,500	11
12	Various			1990	55,561		20	2,706	(2,706)	41,613	12
13	Various			1991	72,262		20	3,613	3,613	49,239	13
14	Various			1992	199,474		20	9,974	9,974	92,062	14
15	Various			1993	890,967		20	44,551	44,551	506,975	15
16	Various			1994	168,253		20	8,412	8,412	89,364	16
17	Various			1995	147,370		20	7,371	7,371	69,756	17
18	Various			1996	128,836		20	6,442	6,442	55,241	18
19	Various			1997	197,846		20	10,184	10,184	75,891	19
20	Various			1998	364,318		20	18,218	18,218	116,571	20
21	Various			1999	436,144		20	20,866	20,866	115,385	21
22	Various			2000	450,876		20	16,664	16,664	75,848	22
23								-		-	23
24								-		-	24
25								-		-	25
26								-		-	26
27								-		-	27
28								-		-	28
29								-		-	29
30								-		-	30
31								-		-	31
32								-		-	32
33								-		-	33
34								-		-	34
35								-		-	35
36								-		-	36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37			$	$		$	$	$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67	Related Building Company (Pages 12-BLDG & 12A-BLDG)		3,939,267			112,550	112,550	1,962,020	67
68	Related Party Allocations (Pages 12-REP & 12A-REP)								68
69	Financial Statement Depreciation			15,739			(15,739)		69
70	TOTAL (lines 4 thru 69)		$ 7,617,879	$ 15,739		$ 288,905	$ 267,754	$ 3,755,482	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		$ 7,617,879	$ 15,739		$ 288,905	$ 273,166	$ 3,755,482	1
2	Wallcoverings	2001	6,534		20	327	327	1,198	2
3	Labor-Lounge	2001	6,325		20	316	316	1,160	3
4	Carpet,Cove Base	2001	3,264		20	163	163	599	4
5	Carpet Remodel Insta	2001	1,578		20	79	79	290	5
6	Wallpaper & Border	2001	479		20	24	24	88	6
7	Cabinetry	2001	26,647		20	1,332	1,332	4,885	7
8	Cabinetry	2001	18,281		20	914	914	3,351	8
9	Cove Base Cabinetry	2001	1,965		20	98	98	360	9
10	Labor-Beautyshop Ins	2001	1,535		20	77	77	281	10
11	Cove Base Vc Tile	2001	8,855		20	443	443	1,623	11
12	Staff Lounge Install	2001	4,560		20	228	228	836	12
13	Install-Staff Lounge	2001	3,856		20	193	193	691	13
14	Paint	2001	7,102		20	355	355	1,243	14
15	Install Picture&Pain	2001	719		20	36	36	126	15
16	Mini Blinds	2001	5,873		20	294	294	955	16
17	Flag Pole	2001	2,238		20	112	112	355	17
18	Md Cylinder	2001	838		20	42	42	168	18
19	Lighting	2001	901		20	45	45	176	19
20	Floor Install	2001	546		20	27	27	100	20
21	Cylinder	2001	532		20	27	27	100	21
22	Circuit Panels Inst.	2001	725		20	36	36	133	22
23	Food Service	2001	599		20	30	30	110	23
24	Locks	2001	578		20	29	29	104	24
25	Fixture	2001	707		20	35	35	129	25
26	Material & Labor	2001	2,589		20	129	129	506	26
27	Wall Prep & Painting	2001	1,880		20	94	94	376	27
28	Lumber	2001	1,028		20	51	51	197	28
29	Custom Diffuser	2001	1,935		20	97	97	371	29
30	Lumber	2001	1,022		20	51	51	179	30
31	Pump Motor	2001	1,088		20	54	54	195	31
32	Motor	2001	1,863		20	93	93	310	32
33	Wire & Amp Fuses	2001	2,797		20	140	140	467	33
34	TOTAL (lines 1 thru 33)		$ 7,737,318	$ 15,739		$ 294,876	$ 279,137	$ 3,777,144	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		$ 7,737,318	$ 15,739		$ 294,876	$ 279,137	$ 3,777,144	1
2	Labor & Trans Expens	2001	1,306		20	65	65	218	2
3	Construction	2001	39,560		20	1,978	1,978	6,099	3
4	Mini Blinds	2001	17,552		20	878	878	2,779	4
5	Repair & Maintenance	2001	11,877		20	594	594	1,881	5
6	Custom Diffuser	2001	1,505		20	75	75	239	6
7	Wiring	2001	2,171		20	109	109	399	7
8	Construction 9Th Flo	2001	31,050		20	1,553	1,553	4,787	8
9	Construction 9Th Flo	2001	31,050		20	1,553	1,553	4,787	9
10	Electrical Work	2001	3,617		20	181	181	724	10
11	Locks & Door System	2001	570		20	29	29	96	11
12	Labor For Corridors	2001	2,070		20	104	104	415	12
13	Sink,Faucet	2001	1,125		20	56	56	197	13
14	Sink & Faucet	2001	1,828		20	91	91	342	14
15	Gas Valve	2001	836		20				15
16	Sprinkler Repairs	2001	1,093		20	55	55	219	16
17	Wiring	2001	2,978		20	149	149	546	17
18	Cabinetry	2001	4,350		20	218	218	671	18
19	Cabinetry	2001	4,350		20	218	218	671	19
20	Cabinetry	2001	4,350		20	218	218	671	20
21	Cabinetry	2001	8,714		20	436	436	1,343	21
22	Elevator	2001	1,054		20	53	53	189	22
23	Deposit For Flooring	2001	30,000		20	3,000	3,000	9,250	23
24	9Th Floor Add On	2002	20,240		20	1,012	1,012	2,783	24
25	Vinyl Wallcovering	2002	2,422		20			2,422	25
26	Vinyl Wallcovering	2002	5,233		20			5,233	26
27	Vinyl Wallcovering	2002	2,784		20			2,784	27
28	Vinyl Wallcovering	2002	2,885		20			2,885	28
29	Vinyl Wallcovering	2002	2,613		20			2,613	29
30	8Th & 9Th Floor Resident Rooms	2002	622		20	31	31	86	30
31	Replace Shut Off Valves,Wallboard & Brackets For Cabinets	2002	375		20	19	19	52	31
32	Wallcovering 9Th Floor	2002	91		20			91	32
33	Handrail,Corner Guard,Wall Bumper	2002	12,506		20			12,506	33
34	TOTAL (lines 1 thru 33)		$ 7,990,095	$ 15,739		$ 307,551	$ 291,812	$ 3,845,122	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		$ 7,990,095	$ 15,739		$ 307,551	$ 291,812	$ 3,845,122	1
2	Hand Rails,Corner Guards	2002	9,648		20			9,648	2
3	8Th Floor Day Room-Chair-Rail,Wall Bumper	2002	5,740		20			5,740	3
4	Blinds	2002	370		20	37	37	89	4
5	Blinds	2002	4,575		20	458	458	1,106	5
6	Blinds	2002	1,449		20	145	145	350	6
7	Carpeting	2002	1,515		20	216	216	523	7
8	9Th Floor Carpet-Window Bays	2002	2,265		20	324	324	782	8
9	Sand/Patch/Prep Walls,Door Frame & Elevator Door	2002	8,375		20	419	419	1,047	9
10	Vinyl Wallcovering	2002	6,389		20			6,389	10
11	Wallcovering	2002	16,150		20			16,150	11
12	Carpeting	2002	205		20	29	29	61	12
13	Carpeting	2002	324		20	46	46	96	13
14	Cubicle Track	2002	7,643		20			7,643	14
15	Sink,Faucets & Handles	2002	466		20	23	23	58	15
16	Pedestal Sink, Faucets & Handles	2002	482		20	24	24	62	16
17	Pedestal Sink, Faucets & Handles	2002	709		20	35	35	92	17
18	Sink,Faucets & Handles	2002	587		20	29	29	73	18
19	Flooring	2002	10,000		20	667	667	2,000	19
20	Walk In Cooler	2002	13,883		20	1,983	1,983	4,628	20
21	Walk In Cooler Install	2002	4,702		20	672	672	1,511	21
22	Black Vinyl Cove Base	2002	1,750		20	88	88	204	22
23	Walk In Cooler Install	2002	3,000		20	429	429	964	23
24	Flooring	2002	120,288		20	8,019	8,019	21,385	24
25	Install Walls	2002	6,624		20	331	331	828	25
26	Cubicle Track	2002	4,674		20	935	935	2,181	26
27	Crown Molding	2002	8,181		20	409	409	954	27
28	Crown Molding	2002	9,544		20	477	477	1,113	28
29	Wallcovering	2002	2,835		20			2,835	29
30	Mini Blinds	2002	1,285		20	129	129	289	30
31	Wall Coverings	2002	9,169		20	458	458	1,032	31
32	Wallcovering	2002	7,142		20			7,142	32
33	Wallcovering	2002	9,281		20			9,281	33
34	TOTAL (lines 1 thru 33)		$ 8,269,345	$ 15,739		$ 323,933	$ 308,194	$ 3,951,378	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12D, Carried Forward		$ 8,269,345	$ 15,739		$ 323,933	$ 308,194	$ 3,951,378	1
2	Mini Blinds	2002	155		20	16	16	35	2
3	Custom Ledge Tops	2002	7,210		20	361	361	781	3
4	Vinyl Wallcovering	2002	2,949		20			2,949	4
5	Wallcovering	2002	734		20			734	5
6	Allocation Of Credit Memo	2002	(63,315)		20	(3,166)	(3,166)	(9,497)	6
7	Windows	2002	3,840		20	192	192	544	7
8	Wallcovering	2002	2,595		20			2,595	8
9	Wallcovering	2002	24,093		20			24,093	9
10	Wallcovering	2002	1,261		20			1,261	10
11	Wallcovering	2002	1,843		20			1,843	11
12	Wallcovering	2002	3,031		20			3,031	12
13	Wallcovering	2002	24,747		20			24,747	13
14	Wallcovering	2002	1,464		20			1,464	14
15	Wallcovering	2002	2,060		20			2,060	15
16	9Th Floor Corridor-Chair Rails,Etc.	2002	26,162		20	1,308	1,308	3,706	16
17	9Th Floor Corridor-Chair Rails,Etc.	2002	2,647		20	132	132	375	17
18	Cylinders	2002	656		20	33	33	90	18
19	Over Bed Lights	2002	1,704		20	341	341	738	19
20	Pa Speaker Control	2002	828		20	166	166	469	20
21	Laundry Repairs	2002	707		20	101	101	295	21
22	Nurse Call System Repair	2002	949		20	63	63	174	22
23	Steamer & Disposal Repairs	2002	845		20	121	121	332	23
24	Rebuilt Drain Valve	2002	581		20	29	29	77	24
25	Nurse Call Systems	2002	894		20	60	60	154	25
26	100 Locks	2002	578		20	29	29	70	26
27	Installed 7 New Room Pull Stations	2002	984		20	49	49	123	27
28	Service Call Fire System	2002	500		20	71	71	179	28
29	Carpeting	2002	1,125		20	161	161	402	29
30	Tile	2002	588		20	39	39	82	30
31	100 Key Locks	2002	582		20	29	29	61	31
32	Cylinder Q Less Core	2002	698		20	35	35	79	32
33	Pump	2002	4,053		20	811	811	2,432	33
34	TOTAL (lines 1 thru 33)		$ 8,327,093	$ 15,739		$ 324,914	$ 309,175	$ 4,017,856	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12E, Carried Forward		$ 8,327,093	$ 15,739		$ 324,914	$ 309,175	$ 4,017,856	1
2	Lumber	2002	3,379		20	676	676	2,027	2
3	Service Call Pa System	2002	555		20	79	79	218	3
4	Repair Hot Water Pump	2002	1,276		20	106	106	275	4
5	Repaired Perimeter Door	2002	1,083		20	217	217	523	5
6	Various Repairs	2002	602		20	30	30	73	6
7	Remove & Install Sprinklers	2002	1,400		20	200	200	450	7
8	Wallcovering	2002	5,060		20	506	506	1,392	8
9	Molding	2003	10,666		20	533	533	1,022	9
10	Molding	2003	10,333		20	517	517	990	10
11	Divider Walls	2003	7,927		20	396	396	793	11
12	Railing	2003	2,030		20	102	102	178	12
13	Mop Sink	2003	850		20				13
14	Kitchen Ceiling	2003	875		20				14
15	Kitchen Improvements	2003	578		20				15
16	Kitchen Improvements	2003	872		20				16
17	Steamer Wiring	2003	781		20				17
18	Steamer Wiring	2003	616		20				18
19	Plumbing Improvements	2003	3,462		20				19
20	Heat Coil Expenditures	2003	1,036		20				20
21	Hot Water Heater	2003	2,105		20				21
22	Nurse Call System	2003	1,408		20				22
23	Safety Glass	2003	1,165		20				23
24	Flagpole Light	2003	5,045		20				24
25	Glass Windows	2003	1,228		20				25
26	Toilets	2003	773		20				26
27	Window Restrictions	2003	6,248		20				27
28	Nurse Call System	2003	1,030		20				28
29	Bathroom Tiles	2003	1,500		20				29
30	Door Intercom System	2003	750		20				30
31	Nurse Call Station - 6Th Floor	2003	682		20				31
32	Wiring 1St & 8Th Floor	2003	833		20				32
33	Door Locks & Keys	2003	628		20				33
34	TOTAL (lines 1 thru 33)		$ 8,403,869	$ 15,739		$ 328,276	$ 312,537	$ 4,025,797	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12F, Carried Forward		$ 8,403,869	$ 15,739		$ 328,276	$ 312,537	$ 4,025,797	1
2	Insulated Units	2003	891		20				2
3	Nurse Call Station	2003	780		20				3
4	Wall Bumpers	2003	7,687		20				4
5	Wallcovering	2003	14,594		20				5
6	Wallcovering	2003	7,760		20				6
7	Hand Rails	2003	1,143		20				7
8	Hand Rails	2003	486		20				8
9	Cubicle Track	2003	7,656		20				9
10	Cubicle Track	2003	4,674		20				10
11	Resurfac & Level Parking Area	2003	28,796		20				11
12	Nursing Station Cove Molding & Carpet	2003	7,850		20				12
13	Door Locks	2003	1,170		20				13
14	Door Locks	2003	2,716		20				14
15	Door Locks	2003	755		20				15
16	Ceiling Patch, Sand & Paint	2003	3,225		20				16
17	Cubicle Track	2003	6,107		20				17
18	Wall Bumpers	2003	1,282		20				18
19	Drapery	2003	810		20				19
20	Drapery	2003	810		20				20
21	Hot Water Heater Plumbing	2003	938		20				21
22	Hvac Expenditures	2003	618		20				22
23	Hot Water Heater Plumbing	2003	704		20				23
24	Hot Water Boiler & Heating Problems	2003	775		20				24
25	Cement Floor	2004	845		20	42	42		25
26	Heating Repair	2004	946		20	47	47		26
27	Kitchen Guards	2004	1,443		20	72	72		27
28	Pipe Repair	2004	769		20	38	38		28
29	Bathroom Repair	2004	710		20	36	36		29
30	Pull Stations	2004	1,947		20	97	97		30
31	Rooftop Vent Repair	2004	2,461		20	123	123		31
32	Boiler Room Pump Repair	2004	1,123		20	56	56		32
33	Springs	2004	957		20	479	479		33
34	TOTAL (lines 1 thru 33)		$ 8,517,298	$ 15,739		$ 329,267	$ 313,528	$ 4,025,797	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12G, Carried Forward		$ 8,517,298	$ 15,739		$ 329,267	$ 313,528	$ 4,025,797	1
2	Chiller Repair	2004	6,714		20	336	336		2
3	Purge Assembly Replacement	2004	6,034		20	302	302		3
4	Pump Repair	2004	1,342		20	67	67		4
5	Boiler Repair	2004	1,400		20	70	70		5
6	Unisex Toliet Repair	2004	742		20	37	37		6
7	Window Glass Replacement	2004	2,890		20	145	145		7
8	Boiler Repair	2004	1,305		20	65	65		8
9	Acrylic Face	2004	1,384		20	69	69		9
10	Toliet Repair	2004	2,619		20	131	131		10
11	Hepa Exhaust System	2004	5,820		20	291	291		11
12	Coil Repair	2004	525		20	26	26		12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
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25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 8,548,073	$ 15,739		$ 330,805	$ 315,066	$ 4,025,797	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12H, Carried Forward		$ 8,548,073	$ 15,739		$ 330,805	$ 315,066	$ 4,025,797	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 8,548,073	$ 15,739		$ 330,805	$ 315,066	$ 4,025,797	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12I, Carried Forward		$ 8,548,073	$ 15,739		$ 330,805	$ 315,066	$ 4,025,797	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
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24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 8,548,073	$ 15,739		$ 330,805	$ 315,066	$ 4,025,797	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12J, Carried Forward		$ 8,548,073	$ 15,739		$ 330,805	$ 315,066	$ 4,025,797	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 8,548,073	$ 15,739		$ 330,805	$ 315,066	$ 4,025,797	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4				1976	$ 3,939,267	$		$ 112,550	$ 112,550	$ 1,962,020	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
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29											29
30											30
31											31
32											32
33											33
34											34
35											35
36											36

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37			$	$		$	$	$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
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62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 3,939,267	$		$ 112,550	$ 112,550	$ 1,962,020	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4					$	$		$	$	$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
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33											33
34											34
35											35
36											36

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37			$	$		$	$	$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
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61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$	$		$	$	$	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 761,037	$ 39,582	$ 70,910	$ 31,328	10	$ 431,684	71
72	Current Year Purchases	27,822		2,062	2,062	10	1,563	72
73	Fully Depreciated Assets	567,193				10	567,193	73
74								74
75	TOTALS	$ 1,356,052	$ 39,582	$ 72,972	$ 33,390		$ 1,000,440	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76		2003 CHEVY EXPRESS VAN	2002	$ 20,175	$ 3,306	$ 3,306	$	5	$ 8,054	76
77		2002 CHEVY VENTURE	2002	21,063	3,451	3,451		5	8,408	77
78		AUTO	2003	26,783	5,124	5,124		5	7,994	78
79										79
80	TOTALS			$ 68,021	$ 11,881	$ 11,881	$		$ 24,456	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 10,077,911	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 67,202	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 415,659	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 348,457	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 5,050,693	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized
by the length of the lease .

9. Option to Buy: ☐ YES ☐ NO Terms: *

10. Effective dates of current rental agreement:
Beginning
Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2005	$
13.	/2006	$
14.	/2007	$

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☐ NO

16. Rental Amount for movable equipment: $ 18,504 Description: See Attached Schedule
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	Facility	02 Vehicle	$	$ 10,802	17
18	Facility	03 Volkswagen		5,387	18
19	Facility	Vehicle		33,433	19
20		Adjusted on Page 5a		(44,234)	20
21	TOTAL		$	$ 5,387	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XIII. EXPENSES RELATING TO NURSE AIDE TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD? [ ] YES [X] NO

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER AIDE ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER AIDE ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$	$	$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	$	$	$	$
10	SUM OF line 9, col. 1 and 2 (e)	$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.
(e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.

SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist		hrs	$		$	$		$	1
2	Licensed Speech and Language Development Therapist	N/A	hrs							2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs							4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescrpts							9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): See Supplemental									13
14	TOTAL			$		$	$		$	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/04 (last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 328,818	$	1
2	Cash-Patient Deposits	97,390		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	3,731,897		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	143,736		6
7	Other Prepaid Expenses	250,633		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Attached Schedule	858,070		9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 5,410,544	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	583,547		16
17	Accumulated Depreciation (book methods)	(152,830)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached Schedule	6,312,264		23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 6,742,981	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 12,153,525	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 1,362,557	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	649,760		28
29	Short-Term Notes Payable	3,432,498		29
30	Accrued Salaries Payable	237,808		30
31	Accrued Taxes Payable (excluding real estate taxes)	16,961		31
32	Accrued Real Estate Taxes(Sch.IX-B)	600,000		32
33	Accrued Interest Payable	5,914		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Attached Schedule	514,252		36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 6,819,750	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	3,762,338		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	See Attached Schedule	18,051		43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 3,780,389	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 10,600,139	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 1,553,386	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 12,153,525	$	48

SEE ACCOUNTANTS' COMPILATION REPORT

***(See instructions.)**

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 1,512,000	1
2	Restatements (describe):		2
3	**Medicaid Income**	14,448	3
4	**Real Estate Taxes - Prior Year**	104,922	4
5	**Expense Adjustments**	(71,884)	5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 1,559,486	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	776,159	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(782,259)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ (6,100)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ 1,553,386	24 *

*** This must agree with page 17, line 47.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 13,798,004	1
2	Discounts and Allowances for all Levels	( )	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 13,798,004	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy		6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	1,697	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 1,697	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Supplemental Schedule	1,243	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 1,243	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 13,800,944	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	2,619,740	31
32	Health Care	3,608,942	32
33	General Administration	2,433,770	33
	B. Capital Expense		
34	Ownership	4,097,755	34
	C. Ancillary Expense		
35	Special Cost Centers	38,390	35
36	Provider Participation Fee	226,188	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 13,024,785	40
41	**Income before Income Taxes (line 30 minus line 40)****	776,159	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ 776,159	43

* **This must agree with page 4, line 45, column 4.**

** **Does this agree with taxable income (loss) per Federal Income Tax Return?** Cash Basis **If not, please attach a reconciliation.**

*** **See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.** **SEE ACCOUNTANTS' COMPILATION REPORT**

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.**

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	2,496	2,664	$ 77,465	$ 29.08	1
2	Assistant Director of Nursing	2,500	2,500	61,403	24.56	2
3	Registered Nurses	11,868	11,868	349,456	29.45	3
4	Licensed Practical Nurses	43,119	43,119	870,955	20.20	4
5	Nurse Aides & Orderlies	117,051	117,051	1,064,287	9.09	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,040	1,040	17,120	16.46	9
10	Activity Assistants	12,879	12,879	172,350	13.38	10
11	Social Service Workers	21,299	21,299	494,316	23.21	11
12	Dietician					12
13	Food Service Supervisor	6,240	6,240	86,124	13.80	13
14	Head Cook					14
15	Cook Helpers/Assistants	29,760	29,760	235,402	7.91	15
16	Dishwashers					16
17	Maintenance Workers	21,825	21,825	261,156	11.97	17
18	Housekeepers	55,842	55,842	502,535	9.00	18
19	Laundry	6,154	6,154	42,292	6.87	19
20	Administrator	2,080	2,080	46,706	22.45	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	14,196	14,196	232,819	16.40	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	3,326	3,326	55,413	16.66	31
32	Other Health Care(specify)					32
33	Other(specify) See Supplemental	2,080	2,080	38,390	18.46	33
34	TOTAL (lines 1 - 33)	353,755	353,923	$ 4,608,189 *	$ 13.02	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	Monthly	$ 18,041	01-03	35
36	Medical Director	Monthly	2,200	09-03	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	64	3,199	10-03	39
40	Physical Therapy Consultant	161	7,265	10a-03	40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47	Dental Consultant	Monthly	4,000	10-03	47
48	Social Consultant	Monthly	31,460	10-03	48
49	TOTAL (lines 35 - 48)	225	$ 66,165		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses		$		50
51	Licensed Practical Nurses	6,598	230,495	10-03	51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)	6,598	$ 230,495		53

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Margaret Olson	Administrator	0	$ 46,706
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 46,706

B. Administrative - Other

Description	Amount
Susan Simonsen-Management Fees	$ 199,998
William Daugherty-Management Fees	199,998
TOTAL (agree to Schedule V, line 17, col. 3)	$ 399,996
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Frost Ruttenberg & Rothblatt	Accounting	$ 39,746
Michael Anthony Consulting	Computer	17,460
Senior Living Systems	Computer	6,916
Personnel Planners	Unemployment Consulting	5,940
Paychex	Payroll Processing	16,746
Tenney & Bentley	Legal	320
Anthony Graefe & Assoc	Legal	1,181
Shefsky & Froelich	Legal	6,786
Levenfeld Pearlstein LLC	Legal	4,433
Wiseman, Leader, Adler	Legal	4,183
Arnstein & Lehr	Legal	4,000
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $2500 attach copy of invoices.)		$ 107,711

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 43,936
Unemployment Compensation Insurance	197,558
FICA Taxes	348,783
Employee Health Insurance	
Employee Meals	53,802
Illinois Municipal Retirement Fund (IMRF)*	
Employee Physicals	12,420
401K Matching Expense	8,139
Union Retirement Plans	28,238
Union Health & Welfare	90,990
Employee Benefits	23,022
Employee Insurance	81,742
See Supplemental Schedule	22,703
TOTAL (agree to Schedule V, line 22, col.8)	$ 911,334

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
		$
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	10,717
Health Care Worker Background Check	
(Indicate # of checks performed 47)	560
License & Fees	13,289
Dues & Subscriptions	16,083
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 40,649

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	2,810
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 2,810

* Attach copy of IMRF notifications

**See instructions.

Facility Name & ID Number Lydia Healthcare Center # 0045880 Report Period Beginning: 01/01/04 Ending: 12/31/04

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
1	N/A		$		$	$	$	$	$	$	$	$	$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lydia Healthcare Center # 0045880 **Report Period Beginning:** 01/01/04 **Ending:** 12/31/04

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **Yes**

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **ICLTC - $29,505**

(3) Did the nursing home make political contributions or payments to a political action organization? **Yes** If YES, have these costs been properly adjusted out of the cost report? **Yes**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? **No** If YES, what is the capacity? **N/A**

(5) Have you properly capitalized all major repairs and equipment purchases? **Yes**
What was the average life used for new equipment added during this period? **10 yrs**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **N/A** Line

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? **Yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **No**
If YES, give effective date of lease.

(9) Are you presently operating under a sublease agreement? YES **X** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES **X** NO If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
Lydia healthcare Center, Inc.

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. $ **226,188**
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? **No** If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

(13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? **No**

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? **No** For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ **53,802** Has any meal income been offset against related costs? **No** Indicate the amount. $ **N/A**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **No** If YES, please indicate the amount of income earned from such a program during this reporting period. $ **N/A**
c. What percent of all travel expense relates to transportation of nurses and patients? **100inLN**
d. Have vehicle usage logs been maintained? **No**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **No**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **Yes**
g. Does the facility transport residents to and from day training? Indicate the amount of income earned from providing such transportation during this reporting period. $ **N/A**

(17) Has an audit been performed by an independent certified public accounting firm? **No**
Firm Name: **N/A** The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? **N/A** If no, please explain.

(18) Have all costs which do not relate to the provision of long term care been adjusted out out of Schedule V? **Yes**

(19) If total legal fees are in excess of $2500, have legal invoices and a summary of services performed been attached to this cost report? **Yes**
Attach invoices and a summary of services for all architect and appraisal fees.